

7 PRINCIPLES FOR EFFECTIVE PROCESS MANAGEMENT

Presented by Er Ralston
for



How to think about process

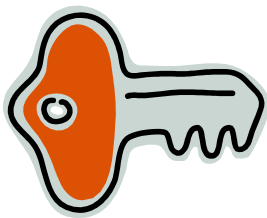


Apple is a very disciplined company, and we have great processes. But that's not what it's about. Process makes you more efficient.

Steve Jobs

Definition of Process Management

- Design, Maintenance, and Improvement
- Linked work activities
- With purpose of producing a product or service for a customer or user

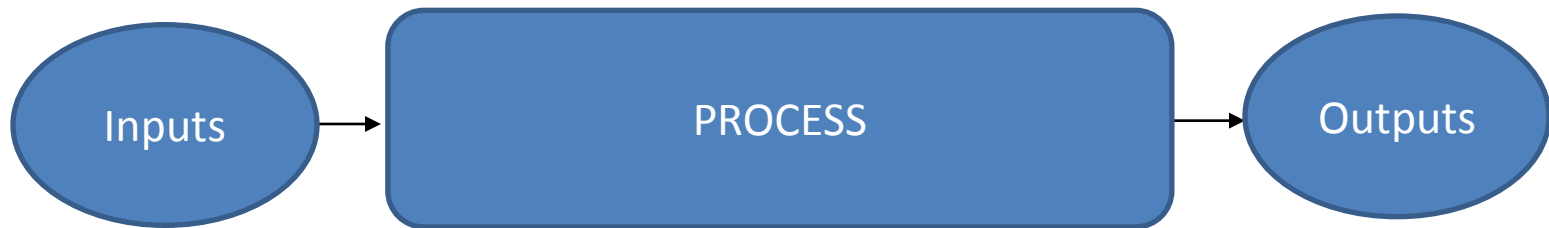


Using **Process Management**, you will achieve improved **customer satisfaction** and business **results**.

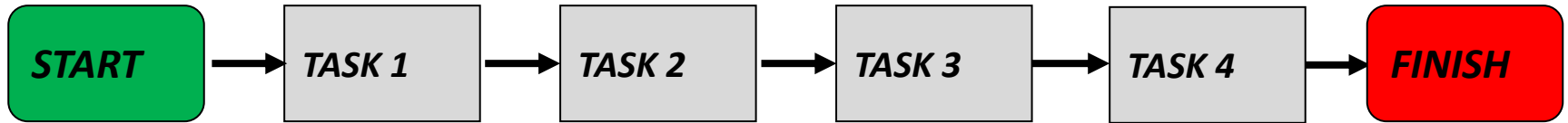
Why Manage Processes?

Fundamentals of Process Management

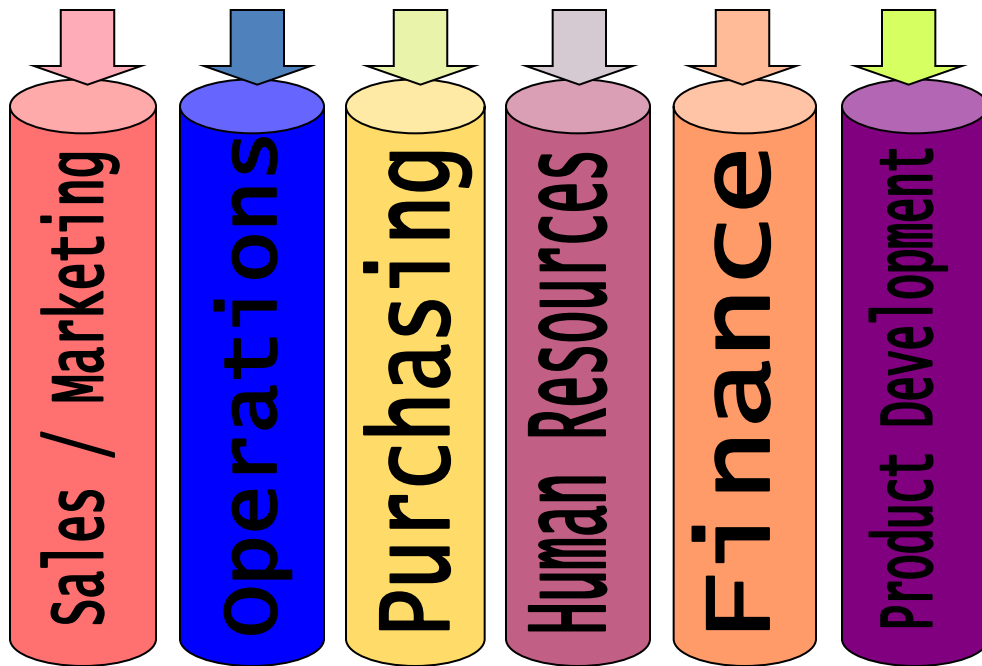
- The purpose of a company is to create customer value
- Customer value is created through processes
- Business success results from superior process performance
- Superior process performance is achieved by having:
 - Superior process design
 - The right people
 - The right environment



Processes and Tasks



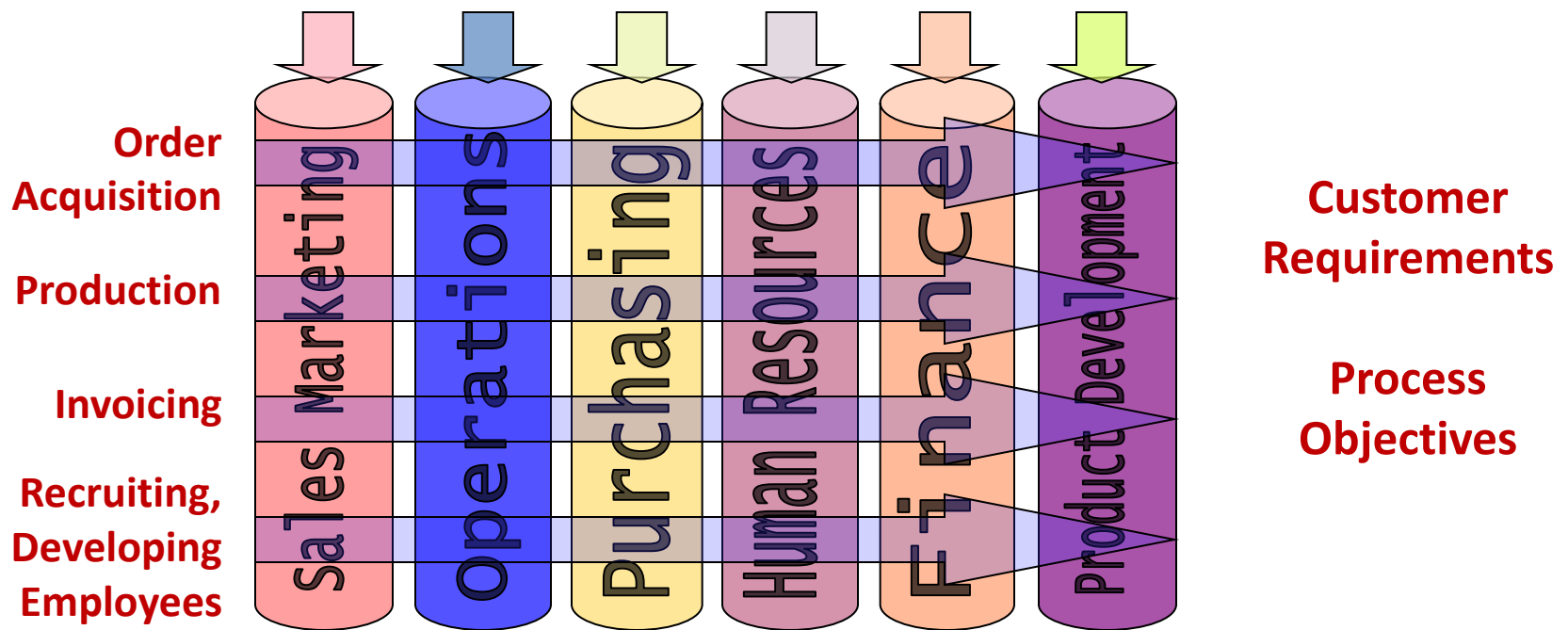
Functional Management Systems



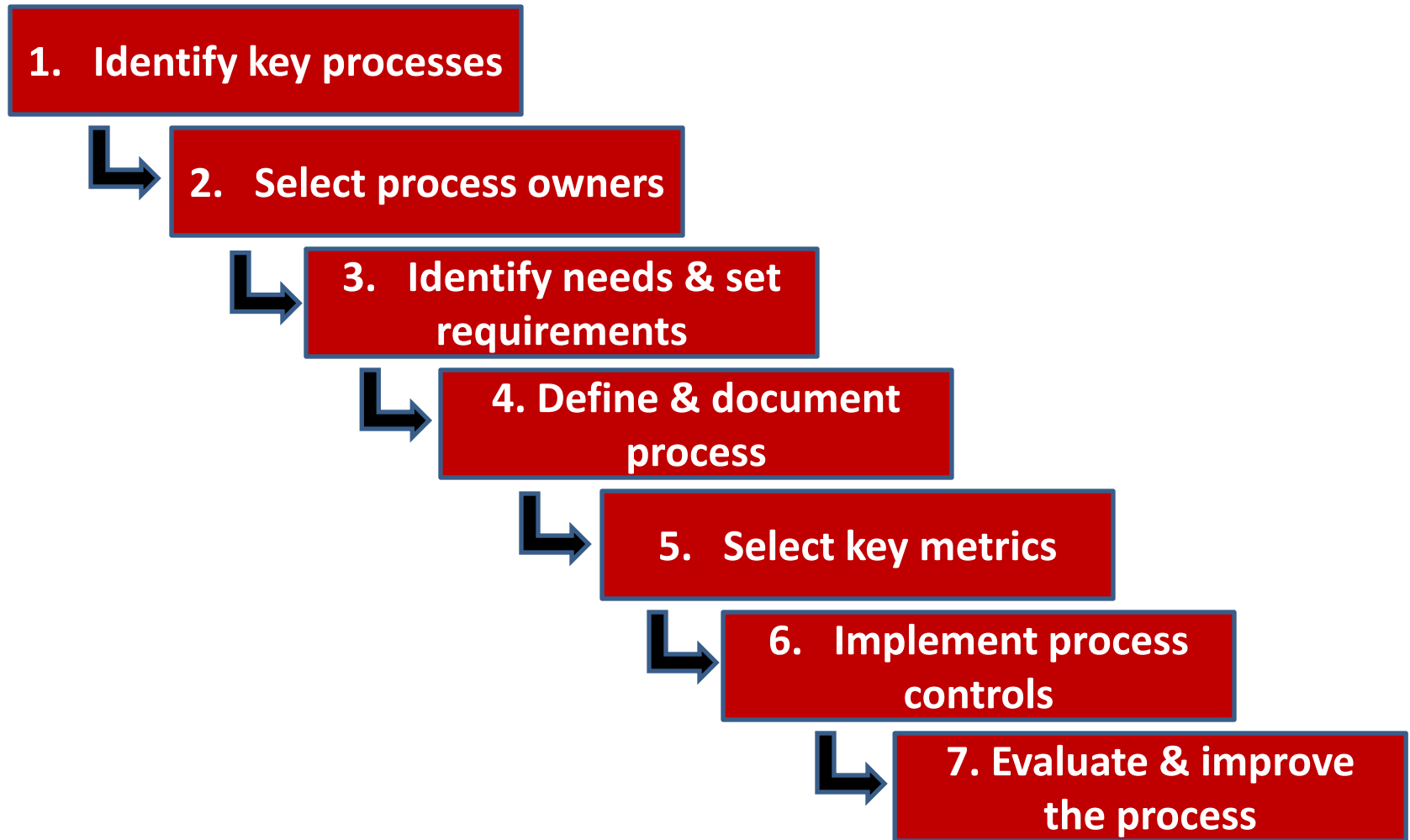
Functional objectives are common in a vertical, hierarchical organization.

Process Management Systems

A process typically **crosses** departments or functions until it reaches the customer.



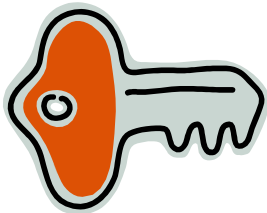
7 Principles for Effective Process Management



Identify/Prioritize Key Processes

Tasks

- Identify Key Processes in Your Organization
- Distinguish Core and Support processes
- Link processes to sub-processes
- Prioritize processes for process management efforts

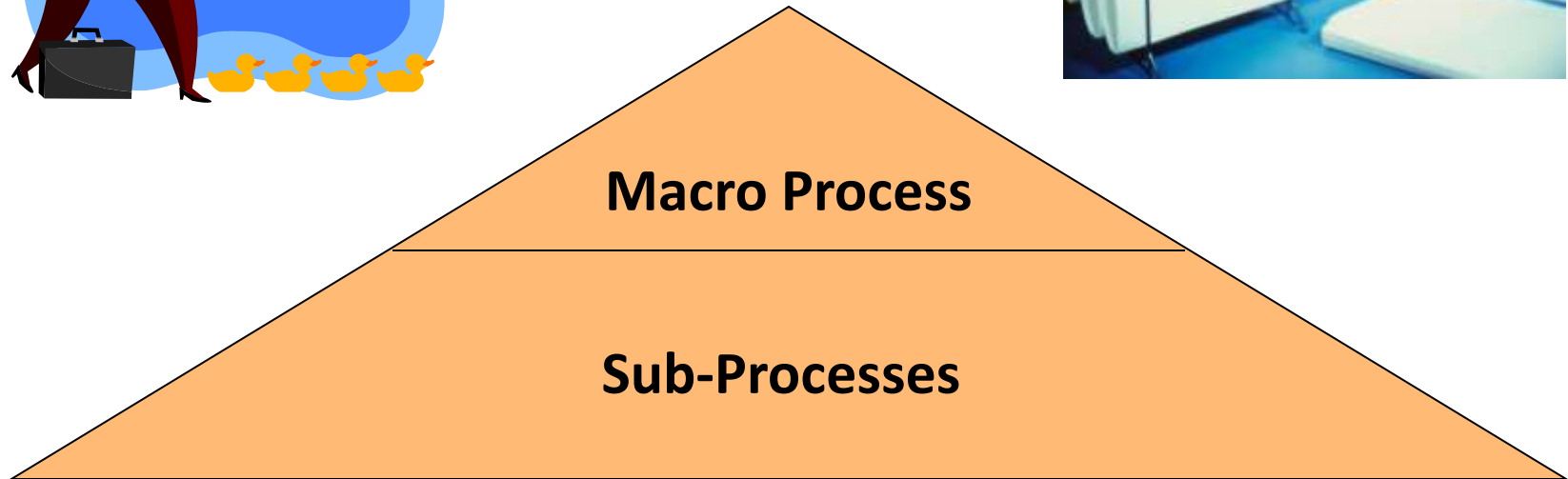


When you can **name** the process, you can
manage the process.

Identify/Prioritize Business Processes



Process Hierarchy



Key Process Types

Core Processes

- Linked to mission

Key Support Services and Processes

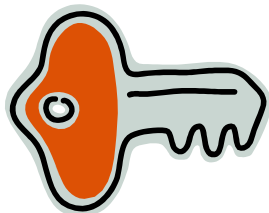
- Internal support



Select Process Owners

Tasks

- Define the roles and competencies of process owners
- Identify and name process owners in your organization



Process owners achieve performance excellence by managing **end-to-end** processes.

Process Owner's Major Roles

- Design
- Coaching
- Advocacy



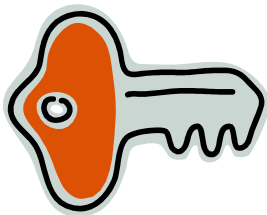
“The process owner is a linker, a facilitator, an enabler of those who actually do the work. It would be more accurate to say that he reports to the performers – since he is on call, at their disposal – than to say that they work for him.”

from *Beyond Reengineering*, 1996, Michael Hammer

Identify & Set Process Requirements

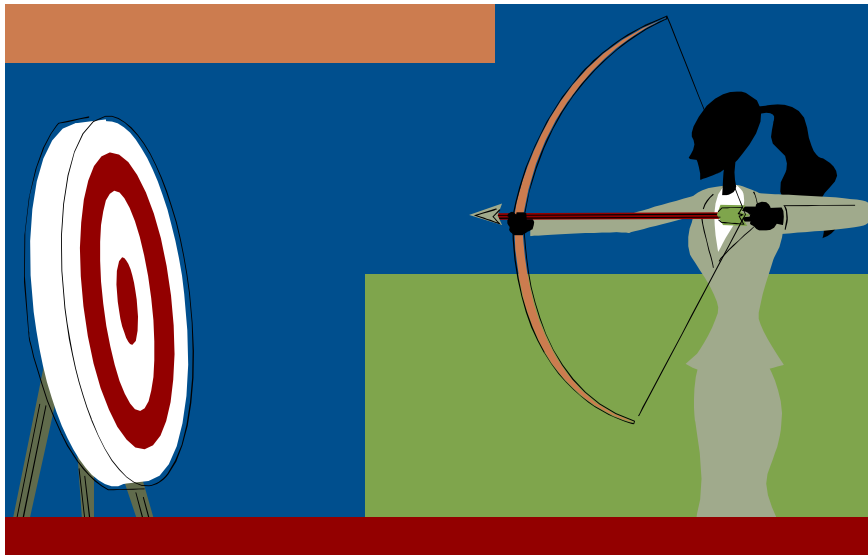
Tasks

- Identify key customers and customer needs
- Determine key process requirements aligned to customer needs
- Document the requirements for key processes

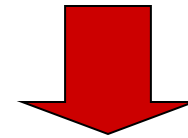


When you **know the target, then
you can hit the target.**

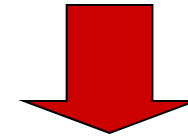
Identify & Set Process Requirements



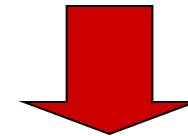
**Customer/Stakeholder
Needs**



Organization Goals



Process Aim (purpose)

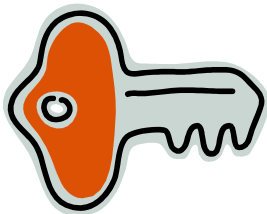


Process Requirements

Define/Document Process

Tasks

- Map key processes
- Develop appropriate documentation for key processes

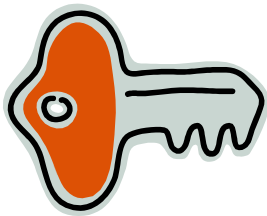


Well defined processes are easier to manage to get the **desired results**.

Select Key Process Measurements/Metrics

Tasks

- Define key process measurements
- Develop measurement systems for key processes



When you **measure** the key **inputs**,
you get **better outputs**.

Select Key Process Measurements/Metrics

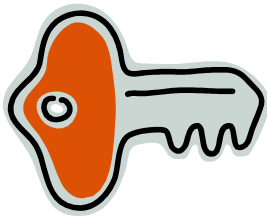
The basis for
determining how
well you are
meeting
requirements



Implement Process Controls

Tasks

- Develop process control plans for key processes
- Institutionalize process control plans to make smart operational decisions



When you **control the process**, you
control the results.

How to Control



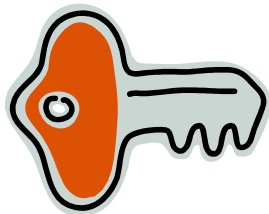
Evaluate and Improve the Process

Tasks

- Define systematic improvement methods for your organization
- Train leaders and the workforce to improve processes
- Use formal evaluation and improvement methods to achieve better process and organizational results

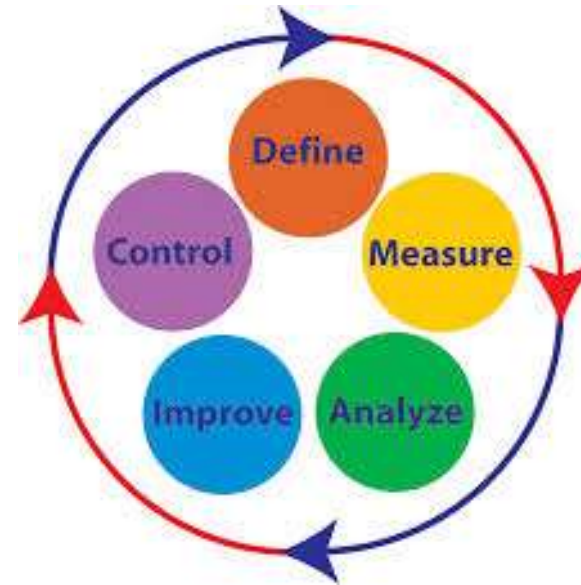
In the process-centered organization, this program of process improvement is not a secondary and peripheral activity. It is the essence of management.

Hammer, Michael, Beyond Reengineering, 1996, P. 80



Systematic improvements are **sustainable** improvements.

Systematic Process Improvement Methods



About Ralston Excellence

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- Lean Six Sigma Training and Coaching
- Process Improvement Project Facilitation and Coaching
- Performance Excellence Assessments



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